



The **Research** *Review*

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**The
Research
Review**



**Week of
March 14-17,
2005**

Agriculture

Matt Barnes

Tuesday, March 15th

On Tuesday, the **Agriculture Committee** sent one bill to Finance and another to Calendar and Rules.

House Bill 0382 (Bone), as amended in committee, exempts certain agricultural fairs from registering as charitable solicitation organizations. The original bill provided that the revenue generated by those fairs would not be classified as a



Rep. Bone

“contribution” as

defined by regulations governing solicitation of charitable funds. With the amendment, the bill now places all community fairs, county fairs, district and division fairs (that have been qualified by the Commissioner of Agriculture to receive state aid grants) in that section of the code exempting them from charitable solicitation registration with the Secretary of State. The bill was sent to the Finance Committee.

House Bill 0072 (Casada) generated most of the discussion during the meeting. The bill allows local gov-

ernments to adopt a local ordinance authorizing them to petition general sessions court to provide for the disposition of dangerous dogs who cause death or serious injury to other animals. The sponsor said the bill was primarily for urban areas, and that it was permissive in that locals must first adopt such ordinances. (Currently, in the code, population requirements make this apply only to Shelby County. This would make the provisions available statewide.) Discussion centered around the kinds of dogs affected, and the property on which the injuries or death would take place. Two amendments were placed on the bill: 1) the bill would exempt hunting dogs; and 2) the bill would state that if any dog on its own property attacks another dog, then the rebuttable presumption would be that the dog does not qualify as “vicious” under this statute. (This also classifies “guard dog” on a property that it is protecting.) The bill moved to Calendar and Rules.

The remaining two bills on the calendar were rolled. House Bill 0198 (Todd), the “Clean Air Act of 2005,” was rolled four weeks, and HB 0222 (Davidson), exempting from sales taxes the purchases of water used in the growth of seeds or plants producing food or fiber, was rolled two weeks. *(summary by Denise Sims)*

Children and Family Affairs

Shannon Romain

Two bills were referred out of the full committee this week. **HB 0704** (Rep. Bowers) was referred to Calendar and Rules. The bill, as amended, requires the Department of Children’s Services and the Tennessee Commission on Aging and Disability to develop and implement a full range of educational, counseling, referral, and other ser-

vices designed to encourage and support elderly foster parents and disabled relative caregivers who participate in relative caregiver programs. The collective goal of the programs is to maximize the stability and success of families that participate in the relative caregiver programs. The amendment makes the bill. *(continued)*

Children & Family Affairs, continued

HB 0784 (Rep. Dubois) was also referred to Calendar and Rules. As amended, the bill authorizes the Administrative Office of the Courts (AOC) to develop, distribute and implement a uniform "Parenting plan" form to courts across the state. The AOC, in collaboration with the Tennessee Family Law Commission, the Domestic Relations Committee of the Tennessee Judicial Council, and other knowledgeable persons, will develop and distribute the forms by June 1, 2005 which shall be in use in the courts on or after July 1, 2005. In addition, the aforementioned organizations, along with the Tennessee Bar Association and the Tennessee Council of Juvenile and Family Court Judges, will study the implementation and use of the forms in cases involving children born out of wedlock. The AOC will report their findings to the Senate Judiciary Committee and the House Children and Family Affairs Committee no later than January 15, 2006.

HB 0775 (Rep. Clem) which prohibits homosexuals from adopting children or parents from surrendering or consenting to the adoption of their children by homosexuals failed in committee by an 11-9 vote.

HB 0706 (Rep. Clem) was deferred 3 weeks.

Domestic Relations Subcommittee

The Subcommittee referred two bills to the full committee this week. **HB 0442** (Rep. Fowlkes) increases the fine for pleading guilty to failing to report child abuse from a maximum of \$50.00 to a maximum of \$2500. Despite the potentially significant increase in the fine, the fiscal note estimates there will be no significant increase in local government revenues as the legislation will impact only a small number of cases.

HB 2128 (Rep. McMillan) directs the Tennessee Economic Council on Women to conduct a comprehensive study on the impact of domestic violence in Tennessee. It will include a review of public expenditures to employers, including the public sector, the

state's health care resources, the courts, as well as the costs for incarcerating offenders. The study will include recommendations on reducing the domestic violence, creating partnerships between employers and their employees to address domestic violence concerns, and creating educational initiatives to address the root causes of domestic violence.

Family Justice Subcommittee

The Subcommittee referred two bills to the full committee this week. **HB 0604** (Rep. Curtiss) permits a juvenile court to order that a juvenile serve community service in the emergency room of a hospital for committing acts involving alcohol or beer.

HB 1433 (Rep. Sherry Jones) requires ex parte orders of protection for domestic violence to be personally served upon the respondent. Under present law, when a court issues an ex parte order of protection, a copy of the petition, notice of the date of the mandatory hearing, and a copy of the actual order must be served upon the respondent at least five



Rep. Jones

days prior to the hearing. This bill requires personal service, however, if the respondent lives out of state the order may be forwarded by registered or certified mail.

Furthermore, current law requires that proper venue for a petition seeking an order of protection is the county where the respondent resides or where the incident occurred. Under this bill, if the respondent is not a Tennessee resident, or the domestic violence incidence occurred in another state, the petition may be filed in the county where victim resides.

The following bills were deferred one week:

HB 0885 (Rep. Hawk)

HB 0998 (Rep. Bowers)

Commerce

Matt Barnes

Full Committee

The **Commerce Committee** met Tuesday with three bills on calendar, rolling **HB 0731** (Harrison) for two weeks at the sponsor's request. This bill creates exceptions to the requirement that rate increases for residential basic local exchange service not exceed inflation. One such exception is created through rate re-grouping based on population growth or expanded local calling, whereby the number of end-users within a rate group increases to the point that the rate group no longer corresponds to the defined rate group within the carrier's approved tariffs.

HB 1273 (Fowlkes), with an amendment that re-writes it, establishes the time to commence an action to force a bank to pay on all types of deposit accounts, not just certificate of deposit accounts as in present law. The committee also adopted a second amendment, which holds in the event the section created in the first amendment conflicts with a specific law related to state or federal savings and loan associations, savings banks or credit unions, the specific law shall be controlling. *[passed to Calendar and Rules with 2 amendments]*

HB 0413 (Hargrove) revises present law relative to increasing premiums for commercial risk policies. Currently, an insurance company intending to *revise the rates and/or factors* of a commercial risk policy by more than 25% must notify the insured within 60 days of the effective date of the increase. This bill changes that requirement to state an insurance company intending to *increase the premiums* of a commercial risk policy by more than 25% must provide notice *if the increase is the result of comparing policies of equivalent exposures*. *[passed to Calendar and Rules]*

Industrial Impact Subcommittee

The **Industrial Impact Subcommittee** rolled two of its bills and took **HB 0798** (Dunn) off notice at its Tuesday meeting.

HB 0743 (Curtiss) makes unenforceable any contract provision that requires a lien waiver as a condition for payment. The sponsor said he plans to introduce an amendment next week that is based on Georgia law. *[rolled for one week]*

HB 2099 (Borchert) requires a surveyor, when surveying an adjoining property, to notify the owner of the adjoining property. Chairman McKee pointed out that this bill is similar to one he is sponsoring (HB 1636) and that the parties are now working to combine the two. Chairman McKee also pointed out this is the second time this bill has been rolled. *[rolled for two weeks]*

Small Business Subcommittee

The **Small Business Subcommittee** met Tuesday to consider one bill, sending **HB 0955** (Hargett) to full committee. The sponsor said this bill is a consumer protection bill requiring pest control companies to maintain a physical address and not just a post office box somewhere. He said the pest control business is too "easy in/easy out" for some companies to be tracked properly. Further, the bill increases the bond from \$10,000 to \$50,000 for the first three years pest control companies are in business; after the three years, the bond drops back to \$10,000 for reputable companies.

Utilities and Banking Subcommittee

The **Utilities and Banking Subcommittee** met Wednesday to consider four bills, rolling **HB 1235** (Johnson, R.) and **HB 0681** (Litz) for one week.

HB 1784 (Curtiss) requires all title pledge lenders to be licensed through the Department of Financial Institutions, as opposed to present law that requires such lenders to petition their county clerks to conduct business. Chairman Curtiss said he will hold the bill in

(continued)

Utilities & Banking, continued

full committee to allow the Department to introduce an amendment to address its concerns. A Government Operations amendment institutes a civil penalty of not less than \$50.00 nor more than \$1,000 for each violation of rules issued pursuant to this legislation. [*passed to full committee*]

HB 2196 (Briley), with an amendment that re-writes it, requires the TRA to establish by rule the posting of a bond or other security by public utilities providing wastewater service or for particular projects proposed by such utilities. The bond is intended to ensure the proper operation of the utility or project in order to pro-

tect the public without undue burden on utilities or rate-payers. The bond requirement is similar to that required of telecommunications companies.

TDEC recently notified wastewater utilities that T.C.A. § 69-3-122 requires them to post a \$75,000 bond. The amendment suspends this requirement until January 1, 2006, or until the TRA rules become effective, whichever occurs first. The amendment also states that those utilities that post a TRA bond will not have to post a TDEC bond. Both entities support the amendment. [*passed to full committee as amended*]

Conservation and Environment

Rachel Thomas

Full Committee

The full **Conservation and Environment Committee** convened March 16, 2005, to discuss six bills on the regular calendar and three joint resolutions on the addendum. Action on Representative R. Johnson's **HB 855** was deferred for two weeks. The following bills were referred to the Committee on Calendar and Rules:

HB 815 (Winningham)—This bill authorizes disabled persons to go hunting one day per year without having to obtain a hunting license.

HB 925 (Tidwell)—As amended, this bill alters the requirements for members to participate in appeals before the water quality control board.

HB 1269 (McDonald)—This bill creates a Class A misdemeanor offense for interfering with the safe operation of a motorboat or vessel in a reckless or negligent manner.

HB 1270 (McDonald)—This bill includes commercial vessels on the list of vessels for which boating under the influence is prohibited.

HB 1873 (McCord)—This bill redefines zoological institutions.

HJR 226 (McMillan)—This resolution names Johnny Fred Coleman to the Tennessee Wildlife Resources Commission.

HJR 227 (McMillan)—This resolution names Mike Hayes to the Tennessee Wildlife Resources Commission. (continued)

Conservation & Environment, continued

HJR 228 (McMillan)—This resolution names Michael D. Chase to the Tennessee Wildlife Resources Commission.

The committee then heard an overview of the condition of hardwood forests in Tennessee. The persons who spoke on this topic included representatives from the Save Our Cumberland Mountains organization, the Tennessee Department of Agriculture, the Tennessee Farm Bureau Federation, and the Department of Forestry, Wildlife, and Fishers at the University of Tennessee.

Environment Subcommittee

The **Environment Subcommittee** met March 16, 2005, to discuss one bill, **HB 2063** (Kernell). As amended, this bill expands the membership of county conservation boards from a minimum of five up to nine members. The bill was passed to full committee.



From the Conservation & Environment Committee

Parks and Tourism Subcommittee

The **Parks and Tourism Subcommittee** assembled on March 15, 2005, to discuss two bills, both of which were passed to the full Conservation and Environment Committee. **HB 539** (Winningham) prohibits parking and entrance fees at Tennessee state parks. Representative Shepard's **HB 1705** names the conference facility at the Paris Landing State Resort Park in honor of former Representative L. Don Ridgeway.

Wildlife Subcommittee

The **Wildlife Subcommittee** convened on March 15, 2005, to consider Representative Matheny's **HB 796**. Action on this bill was deferred for one week.



Consumer and Employee Affairs

Shannon Romain

The **full committee** had six bills on the calendar this week. **HB 0477** (Rep. Briley) and **HB 0762** (Rep. Odom) were referred to Calendar and Rules. HB 0477 adds a chiropractor to the workers' compensation medical care and cost containment committee and HB 0762 permanently includes a chiropractor on the workers' compensation panel in cases involving back injuries by removing the June 30, 2005 sunset provision in the current law. The bill also authorizes an employee to receive more than the maximum of 12 visits for the treatment of a back injury upon the approval of their employer.

As amended, **HB 0449** (Rep. Briley) exempts non-profit health clubs from the Health Club Registration Act requirements if they are operated as part of a licensed hospital that is exempt from property taxation. The amendment makes the bill.

The following bills were deferred:

HB 0555 (Rep. Bunch) – 1 week

HB 1257 (Rep. M. Turner) – 1 week

HJR 0093 (Rep. Cooper) – 2 weeks

Employee Affairs Subcommittee

The subcommittee referred one bill to the full committee this week. **HB 1323** (Rep. Stanley) authorizes up to four months maternity leave for the adoption of a child to a mother that has been with the same employer for at least twelve consecutive months. The committee recommended an amendment to the bill that makes it gender neutral.

The following bills were deferred:

HB 0756 (Rep. Clem) – 1 week

HB 0738 (Rep. Bunch) – 2 weeks

HB 0152 (Rep. M. Turner) – 1st committee meeting of March 2006

HB 0141 (Rep. M. Turner) – 2nd committee meeting of March 2006

Consumer Affairs Subcommittee

The subcommittee was cancelled and will meet at its regularly scheduled time, Tuesday, March 22, at 2:30 p.m.

Education

Pam Mason

Full Committee

The House Education Committee met at its regular time on Wednesday and considered its calendar. The following actions were taken.

Referred to Calendar & Rules:

HB 1528 – (Armstrong) clarifies meaning of “corpus

of the trust” and “income from the trust” thus removing limitations on how money in the chairs of excellence endowment fund can be managed.

HJR 88 – (Cooper) urges the department of education to provide proper instruction about maintaining healthy lifestyle habits.

HJR 116 – (Cooper) urges increased state funding for alternative education programs. *(continued)*

Education, continued

HJR 117 – (Cooper) urges increased state funding for dropout prevention programs.

Referred to Calendar & Rules, if amended:

HB 1662 – (Maddox) states that instruction with regard to the American flag and the pledge of allegiance in public schools is not a state endorsement of religion. As amended, removes “in violation of the separation of church and state” language from the bill.

HJR 90 – (Cooper) as amended, urges the department of education to encourage inclusion of the teaching of the labor movement in Tennessee schools.

Referred to Finance, Ways & Means, if amended:

HB 1938 – (Brooks, Harry) allows local school boards to have evening alternative schools for students in grades six through twelve. The amendment removes “high” in section 49-6-501(b), making it applicable to the additional grades.

Deferred 3 weeks:

HB 674 – (Maddox)

Taken off Notice:

HB 117 – (Shaw)

HB 669 – (Maddox)

HB 436 – (Cooper)

HB 897 – (Cooper)

HB 538 – (Winningham)

HB 1553 – (Winningham)

HB 1536 – (Winningham)

Due to the fiscal note on these items, they were taken off notice and will be considered at a later date.

Higher Education Subcommittee

The **Higher Education** Subcommittee met on Wednesday for consideration of its calendar and a presentation from Dr. Brian Noland on the Tennessee Lottery.

Action on the calendar follows:

Referred to Full Committee:

HB 250 – (Stanley) allows children of parent employed as a teacher’s aide at least 25 hours per week in any public school to receive 25 percent tuition discount at state institutions of higher learning.

Deferred 1 week:

HB 2164 – (Shepard)

Deferred 3 weeks:

HB 129—(Turner, M)

K-12 Subcommittee

On Tuesday, March 15, the **K-12** Subcommittee considered its calendar and took the following actions.

Referred to Full Committee:

HB 990 – (Vaughn) adds that an LEA may not require that a veteran or a veteran’s immediate family be current state residents to request issuance of a high school diploma.

HB 281 – (McDaniel) would allow any school bus that passed safety inspections, received a waiver for its fifteenth year of service, and within 180 days from the end of the school year to operate until the end of the school year.

HB 1534 – (Winningham) provides classroom teachers who achieve National Board of Professional Teaching Standards certification a \$4,000 supplement.

Deferred 1 week:

HB 550 – (Bunch)

HB 2114 – (Jones, S.)

HB 1719—(Turner, L.)

HB 2113—(Winningham)

Deferred 2 weeks:

HB 2017 – (Fitzhugh)

HB 374—(Casada)

Deferred 3 weeks:

HB 954 – (Hargett)

HB 1378—(Hargett)

Taken Off Notice:

HB 193—(Hackworth)

Finance, Ways & Means

Julie Travis

The Full Committee

The House Finance, Ways, and Means Committee met on Tuesday, March 15, 2005 to discuss and take action on the six items placed before the committee. All five bills and the one resolution were referred to Calendar and Rules. They are as follows:

HB 1582 (McMillan) – This bill eliminates the disclosure and notice requirement concerning public inspection of Registry of Election Finance Records. Current law states that the registry of election finance or county election commission, as appropriate, must notify a political candidate or political campaign committee when someone has inspected the candidate/committee's campaign financial disclosure records. Notice must be provided within three days of the inspection. This bill repeals those notice requirements.

HB 20 (Newton) -- This bill, as amended by the House State and Local Government Committee, expands the range of offenses for which beer permit applicants can be disqualified to also include the manufacture, sale, delivery, or possession with intent to sell a controlled substance within the last ten years.

HJR 86 (Cooper, B.) – This bill, as amended by the House Commerce Committee, urges the Bureau of TennCare to adopt a cost-of-living index into its budget for the purpose of adequately reimbursing providers for TennCare program enrollees' kidney dialysis treatments.

HB 530 (Hackworth) – This bill creates an excise tax

deduction equal to 75% of the value of charitable donations given to various 501(c) type, non-profit entities when such entities use the donations to purchase goods and services on which state and local sales taxes are collected. It identically expands the deduction created last legislative session (2004 PC 835) for qualified public school support organizations.

HB 629 (Hawk) – This bill designates a certain segment of SR 70 bypass in Green County as the Joseph "Joe" Bewley Memorial Highway and directs TDOT to manufacture and erect suitable signs.

HB 587 (Litz) – This bill designates a certain bridge on SR 160 in Hamblen County as the R.F. Garrett Bridge. Designating signs shall be erected only if non-state funds are paid to TDOT to manufacture and erect such signs.

The Committee continued with Budget Hearings, examining the Commission on Aging's budget on Tuesday and Mental Health and Mental Retardation on Wednesday. At the committee's request Pat Santel, of TennCare's Long Term Care Division, came to speak and answer questions on Wednesday regarding the administrative interpretation of the 24-7 rule in providing home and community-based services to Tennessee's aged population. The Departments of Transportation and Revenue are scheduled to be heard on Thursday, March 17th. TennCare is scheduled to appear before the Finance Committee on Wednesday, March 23rd, to present their budget.



The Budget Subcommittee

The Budget Subcommittee met on March 16, 2005 to discuss thirty bills on the Subcommittee's Calendar.

Actions of the Budget Subcommittee are as follows:

HB 800 (Baird) – HB 800 was rolled for one week after being amended with Budget Sub. Amdt. No. 2. This amendment rewrites the bill keeping the language of prior amendments and also giving Hardin County the option to participate in a similar development-type project. The amendment also makes pilot projects of the two possible developments authorized within the bill.

HJR 16 (Miller, L.) was requested by the sponsor to be deferred for two weeks and **HB 807 (Bowers)** was rolled for three weeks at the request of the bill's sponsor. **HB 1587, HB 1104, and HB 1107**, all by **McMillan**, were deferred for two weeks at the request of the sponsor. Two bills by **McKee** were deferred: **HB 711** for four weeks and **HB 1973** for two weeks. **HB 78 (Hargrove)** was rolled for one week at the request of the sponsor. **HB 596 (Curtiss)** was deferred for two weeks. **HB 14 (Newton)** was rolled for one week. **HB 52 (Matheny)** was rolled for two weeks and **HB 256 (Stanley)** was rolled for one week.

HB 1792 (Rinks) was taken Off Notice. **HB 1583, HB 1584, and HB 1087**, all by **McMillan**, were placed Behind the Budget.

The following bills were referred to the full committee:

HB 398 (Shepard) was referred to full committee with Budget Sub Amdt. No. 1. The bill, as amended, increases the per diem rate from \$50 to \$100 for the members of the Board of Nursing when attending board meetings. The Board of Nursing, by statute, is self-supporting, thus revenues equal expenditures.

HB 1091 (McMillan) was referred to full committee with Budget Sub Amdt. No. 1. This bill revises various election laws and came to the Budget Subcommittee with an amendment from State and Local. Budget Subcommittee Amdt. No. 1 would keep the minimum pay-

ment at current levels for every election official attending the mandatory day of election training.

HB 275 (McDaniel) was referred to full committee. This bill designates a certain bridge on State Route 128 in Wayne County as the Edgar 'Eck' Jobe Memorial Bridge. Designating signs shall be erected only if non-state funds are paid to TDOT to manufacture and erect such signs.

HB 276 (McDaniel) was referred to full committee. This bill designates a certain section of State Route 104 in Henderson County as the Robert McKee Memorial Highway. Designating signs shall be erected only if non-state funds are used to manufacture and erect such signs.

HB 278 (McDaniel) was referred to full committee. This bill designates a certain bridge on U.S. 64 in Wayne County as the B.E. Edwards Memorial Bridge. Designating signs shall be erected only if the City of Waynesboro manufactures and erects such signs or reimburses the estimated cost to TDOT.

HB 482 (Overbey) was referred to the full committee. This bill authorizes county legislative bodies to provide a 10% pay increase for any clerk of the court who serves more than one court.

HB 1316 (Fowlkes) was referred to full committee. This bill designates a certain segment of State Route 373 in Marshall County as the Marshall County Veterans Parkway. Designating signs shall be erected only if non-state funds are paid to TDOT to manufacture and erect such signs.

HB 1006 (Fowlkes) was referred to full committee after much discussion. Modeled after a Florida statute, this bill creates the offense of "careless driving", making the offense a Class C Misdemeanor. "Careless driving" would be defined as failure to operate a vehicle in "a careful and prudent manner, having regard for the width, grade-curves, corners, traffic and all other attendant circumstances, so as not to endanger the life, limb, or property of any person."

(continued)

Budget Subcommittee, continued

HB 719 (West) was referred to full committee. This bill names the bathhouse at the Gee Creek Campground in Hiwassee/Ocoee Scenic Rivers State Park in honor of Rob Skinner, directing the Commissioner of Environment and Conservation to erect or affix suitable signs designating the bathhouse facility as the “Rob Skinner Bathhouse.” The manufacture and installation of the signs is to be paid with non-state funds by the Department of Environment and Conservation within one year of the effective date of this Act and any unused portion of funds will be refunded by the Department.

HB 6 (Ferguson) was referred to full committee. This bill, as amended in the House Commerce Committee, establishes a program for the licensure and regulation of home inspectors by enacting the Tennessee Home Inspector Licensing Act of 2005. Applicants will be required to complete 90 hours of commissioner-approved training and a commissioner-approved competency examination. Further, applicants must obtain insurance for general liability and for errors and omissions. Applicants principally engaged in home inspections for at least 2 years that have completed at least 150 home inspections will not have to complete the 90 hours of training.

HB 383 (Bone) was referred to full committee. This bill designates the entire State Route 840 as the Tennessee National Guard Parkway. The one-time costs for signage will be taken out of the highway fund.

HB 1212 (Borchert) was referred to the full Finance Committee following the recommendation of the Council on Pensions and Insurance as amended by that body. The Council’s Amendment permits the Administrator of Elections and Purchasing Agent to participate in the State’s retirement system in the same manner as the County Officials and Judges (*as authorized in TCA §8-35-116*) subject to the approval of the county’s chief governing body.

HB 1612 (Borchert) was referred to full committee. This bill provides for TDOT to erect and maintain signs for Tennessee’s Kentucky Lake Recreational Area and for the Scenic Tennessee River to be erected on Interstate 40 in Benton and Humphreys counties. Directional and trailblazing signs are to be erected and maintained on State Route 191 and U.S. Highway 641 to, what the subcommittee learned in Wednesday’s testimony by Rep. Borchert as, the largest manmade lake in the United States.

Remaining Budget

Hearings

- Today, 3/17:
 - Transportation
 - Revenue
- Wed, 3/23:
- TennCare

Government Operations

Kristina Ryan

The Government Operations Committee met on Wednesday morning to consider ten bills on the calendar. All ten bills were up for review for other standing committees. **HB 1281** by Representative Miller, **HB 758** by Representative Bunch and **HB1255** by Representative McDonald were all deferred for one week. **HB 46** by Representative Miller and **HB 1408** by Representative Baird were rolled for two weeks.

The committee reviewed and referred **HB 2320** by Representative Litz to the State and Local Government Committee. Under this Administration bill, the duties of the Military Commission will be transferred from the Department of Economic and Community Development to the Department of the Military.

HB 2266 by Representative Davidson was reviewed and referred to the Agriculture Committee. This administration bill is housekeeping legislation that sanctions the Department of Agriculture emergency rule-making authority in reaction to federal emergency orders dealing with the protection of the food supply, the spread of plant or animal diseases, pest protections or other similar emergency situations.

The committee reviewed and referred **HB 2333** by Winningham to the Education Committee. This legislation is the Governor's "Voluntary Pre-K for Tennessee Act of 2005." The original bill stipulated that the State Board of Education would be empowered rule-making authority over certain provisions of the bill. However, an amendment was placed on the bill that will delete the rulemaking.

HB 896 by Representative Kernell was reviewed and referred to the Health and Human Resources Committee. This legislation would require speech language pathology assistants to register with the Board of Communication Disorders and Sciences. In addition, the Board of Communication Disorders and Sciences would be empowered to promulgate rules in order to implement this legislation.



HB 700 by Representative Sherry Jones was discussed at length before rolling the bill for two weeks. This legislation would repeal the child support rules that went into effect on January 18, 2005 and return to the previous child support guidelines. The prior rules had been in place since 1989. One of the key responsibilities of the Government Operations Committee is to review all rulemaking. Since this bill pertains to rules that have not yet had a hearing before the Joint Government Operations Committee, the committee agreed that the bill should be rolled for two weeks so the Joint Government Operations Committee could schedule a Rules Review meeting and review these new child support guidelines before this bill proceeds further.

Health and Human Resources

Judy Narramore

Full Committee

The **Health & Human Resources Committee** met on Tuesday, March 15, 2005, to consider six bills and two resolutions. Prior to taking up the calendar, Chairman Armstrong recognized Chastity Mitchell, Tennessee's Government Relations representative for the American Cancer Society, for introductions of speakers representing the Tennessee Comprehensive Cancer Control Coalition and the American Cancer Society. Immediately following these presentations concerning *the state of cancer in Tennessee*, **HJR 0220** by Rep. Armstrong that designates May 15, 2005, as "Tennessee Cancer Control Awareness Day" was referred to C&R.

HB 0641 by Rep. Harrison that permits federally qualified health centers to employ physicians through a written contract or job description was referred to C&R. Rep. Cooper requested that **HJR 0091** (urges the Department of Health and Bureau of TennCare to conduct a joint study identifying any disparities in health care that exist in Tennessee) be rolled one week. Rep. Shaw requested that **HB 1748** (allows evidence of 20 or more years practice and licensure in good-standing in another state in lieu of the three year residency training requirement for licensure of international medical school graduates) be rolled two weeks. Rep. Davidson requested that **HB 0062** (requires informed consent documentation, including written and oral presentations with a non-biased third party witness present, for any research involving human subjects) be rolled two weeks. Rep. Odom rolled **HB 0479** (prescribing privileges for psychologists) two weeks. **HB 0836** by Rep. Armstrong as amended that requires the Board for Licensing Health Care Facilities to establish and maintain a trauma registry was referred to C&R. The amendment clarifies the purpose for and confidentiality of the

registry data. **HB 1436** by Rep. Armstrong as amended was referred to C&R. As amended by Amendment 1, HB 1436 extends from 105 to 150 the number of days for hospitals licensed by the Department of Health or Department of Mental Health & Developmental Disabilities to submit their joint annual report. Amendment 2 to HB 1436 extends the deadline for the Department of Health to compile and make available to the public an electronic compilation of the statistics reported by the hospitals from November 1 to November 30 of the following year.

Mental Health Subcommittee

The **Mental Health Subcommittee** met at its new 8:30 AM meeting time Tuesday, March 15th with one bill on notice. **HB 0665** by Rep. Maddox that requires the Division of Mental Retardation Services to pay providers equally whether services are provided by state employees in developmental centers or direct care staff in community agencies was referred to full committee.

Health Care Facilities Subcommittee

The **Health Care Facilities Subcommittee** met Tuesday afternoon, March 15th with three bills on calendar. Rep. Armstrong requested that **HB 1401** (establishes criteria for creation and licensure of parent and branch offices of alcohol & drug treatment facilities) be rolled one week. Rep. Borchert requested that **HB 1945** (physician orders transmitted via fax) be rolled one week. **HB 2008** by Rep. Overbey that establishes there would be no bed tax due on nursing home beds licensed after July 1 of each year if the beds were transfers from one facility to another where the transferring facility had already paid the tax was referred to full committee.

Public Health & Family Assistance Subcommittee

The **Public Health & Family Assistance Subcommittee** met Wednesday morning, March 16, 2005, to consider seven bills. After discussion and testimony on **HB 0216** by Rep. Briley that concerns drop-in child care centers, Chairlady Pruitt rolled the bill one week for consideration of amendatory language. **HB 0003** by Rep. Shepard as amended was referred to full committee. As amended, HB 0003 provides that price gouging of vaccines and inoculations during a medical emergency proclaimed by the Commissioner of the Department of Health is an unfair or deceptive act or practice. Rep. Bowers requested that **HB 0702** (TennCare Pharmacy Advisory Committee) be rolled three weeks. Rep. H. Brooks requested that **HB 1219** (natural hair stylists) be rolled three weeks. Rep. Casada requested that **HB 1383** ("Pharmacist's Freedom of Conscience Act") be rolled two weeks. Rep. Rinks requested that **HB 1825** (cosmetology work permit) be rolled two weeks. Rep. McKee requested that **HB 1975** (TennCare authority to negotiate pharmaceutical rebates) be rolled two weeks.

Professional Occupations Subcommittee

The **Professional Occupations Subcommittee** met at noon on March 16th with 11 bills on notice. Rep. Shaw rolled **HB 2070** (massage therapists' competency exam) two weeks for review of amendatory language. Rep. McMillan requested that **HB 1096** (importation of prescription drugs from Canada for TennCare) and **HB 1097** (multi-state drug purchasing pool) be rolled two weeks and that **HB 2324** (generic drug substitutions) be rolled one week. Rep. Shepard rolled **HB 1410** ("Tennessee Affordable Drug Act of 2005") one week. Rep. Ferguson rolled **HB 0850** (RN licensure for certain veterans) and **HB 0851** (RN and LPN licensure for certain veterans) one week.

HB 1265 by Rep. Hensley as amended that authorizes health care providers to use the recognized abbreviation or designation immediately following the person's name indicating the professional license or certification held by such person on any written or printed professional identification and re-establishes the licensing boards' authority to promulgate rules that regulate advertising was referred to full committee. Amendment 1 to HB 1265 clarifies that health care providers will use the recognized professional abbreviation or designation with such person's title. Amendment 2 authorizes persons licensed under Title 63 (Healing Arts) that have obtained a doctoral degree to use the term "doctor" with such person's title. **HB 0478** by Rep. Odom as amended that changes the hours of annual continuing education for chiropractors from a maximum of 15 as prescribed by the Board to a minimum of 12 was referred to full committee. Rep. Odom distributed an amendment to **HB 2030** (curriculum for massage therapists' licensure) and then rolled the bill one week. Rep. Odom rolled **HB 1844** (social workers) one week.



Judiciary

Jamie Wyatt

The Full Judiciary Committee

On Tuesday, the Full Judiciary Committee met to discuss sixteen bills. HB 16 by Rep. Newton was rolled one week. HB 770 by Rep. McCord was amended and rolled two weeks. This amendment adds distributors as a category of individuals that can claim a defense to the intentional or knowing possession, manufacturing, transporting, repairing or selling of a switchblade knife or automatic knife as long as they represent in writing that they will only sell switchblades or automatic knives to retail establishments that represent in writing that they will only sell to law enforcement or military personnel, military personnel or law enforcement personnel.

The following bills and resolution were approved for passage and **referred to Calendar & Rules**:

HB 701 by Rep. Bowers, as amended, changes T.C.A. §29-20-102 and Chapter 321 of the Public Acts of 2003 by deleting June 30, 2006 as the repeal date of the law in order to continue the definition of a governmental entity in Governmental Tort Liability Act to include a private, non-profit hospital corporation in Shelby County.

HB 1348 by Rep. Briley adds Davidson County Chancery Court as a venue for an individual representing the Human Rights Commission to seek a court order to require access to records in human rights case.

HB 1677 by Rep. Shaw allows the governor to remove a commissioner who is absent more than three regularly scheduled meetings in the commission's fiscal year. This bill is an effort to maintain the efficiency of the TN Human Rights Commission by preventing absenteeism from interfering with its mission.

HB 384 by Rep. Briley extends the deadline from December 31, 2004 to June 30, 2005 for the board of probation and parole to contract with a vendor for services needed to monitor offenders. Also, extends deadline from March 1, 2005 to April 1, 2005 for board to report to a joint meeting of the judiciary committee for both Senate and House of Representatives along with the joint oversight committee regarding results and implementation of the TN Serious and Violent Sex Offender Monitoring Pilot Project Act.

HB 695 by Rep. Roach allows the county clerk of Jefferson County to continue to serve as clerk of court with probate jurisdiction.

HB 1002 by Rep. Fowlkes codifies the allocation of new assistant district public defender positions as were approved by the General Assembly in 2004.

HB 1619 by Rep. Fowlkes codifies the allocation of new assistant district attorney positions as were approved by the General Assembly in 2004.

HB 852 by Rep. Johnson, R. designates the circuit court clerk of Loudon County as the clerk of the court with probate jurisdiction in that county and removes probate jurisdiction from the county clerk.

The following bills were approved for passage and **referred to Finance**:

HB 1575 by Rep. West, as amended, allows a lien obtained by a governmental entity to be created on a property regardless of the amount of the lien if a judgment is obtained in any Davidson County Court and registered.

(continued)

Judiciary/Referred to Finance, continued

This bill will in essence eliminate the current judgment requirement amount of more than \$500 needed to file a judgment from a general sessions court.

HB 36 by Harwell, as amended, allows a law enforcement officer with reasonable grounds to believe a person is driving under the influence of drugs or alcohol to administer both alcohol and drug testing. This test must be done within 2 hours following arrest or initial detention and includes a \$100 fee for testing. The amendment fixes a typo and refers to the proper code section authorizing fines, fees, costs and punishment currently prescribed by the law.

HB 15 by Newton increases the penalty for the offense of rape of a child from a Class A felony to Class A felony punishable by life without the possibility of parole. The fiscal note on this bill is over \$10 million dollars.

HB 363 by Rep. Newton decreases the percentage of alcohol in a first time DUI offender's blood necessary to make such offender a most aggravated drunk driver from .20 percent to .16 percent thereby requiring 7 days as the minimum period of confinement.

HB 207 by Rep. Briley entitles a sequestered juror to \$30.00 per day for attendance. The current payment is \$10.00 per day for all jurors.

HB 2334 by Rep. McMillan, as amended, enacts the **Meth-Free Tennessee Act of 2005**. Here are some of the highlights of this bill: Requires products containing ephedrine, pseudoephedrine, or phenylpropanolamine to be dispensed only by a licensed pharmacy, creation of

a TBI public registry of convicted meth violators, requires law enforcement agencies to provide information regarding quarantined property to Dept. of Environment and Conversation, the DEC must maintain a registry of quarantined properties on its website, and a notification requirement owed by medical professionals to law enforcement if they treat someone with injuries relating to meth manufacturing.

The first amendment changes the bill in many areas. A few of those changes are listed. It replaces the language "department of health" with the "board of pharmacy" throughout the bill. It adds a one year minimum for a pharmacy that chooses to maintain a registry. Also, it adds subsection (g) which states that the section shall supersede any local laws regulating the sale of products containing methamphetamine precursor. It further amends section 11(c) of the printed bill by including a pharmacy or licensed pharmacist licensed by the board of pharmacy as an exempt entity.

This amendment also eliminates a retail distributor of drug products or wholesaler as an exempt entity. However, a wholesaler drug distributor and its agents licensed by the board of pharmacy are still included as an exempt group. Also, it removes section 13(f) from the bill allowing a sheriff to ID other persons for inclusion on a registry as long as info accompanied by a copy of a judgment indicating conviction of meth related offense.

Amendment 2 was adopted, which also has many changes. A few of the changes consist of adding the language "category of a product" to broaden the description of a product that may be

(continued)

exempt from the requirements if the ingredients are not in a form that can be used to manufacture meth. Also, the amendment removes the department of health replacing it with the board of pharmacy as the group required to maintain a public list of exempted products or categories. Lastly, it deletes section 17 and replaces it with timeframes when certain provisions in the bill will take effect after becoming a law.

Civil Practice & Procedure Subcommittee

On Tuesday, the **Civil Practice and Procedure** Subcommittee met to consider eight bills. HB 236 by Rep. Campfield was rolled four weeks.

House Bills rolled 1 week:

HB 252 by Rep. Stanley
HB 1428 by Rep. West
HB 1964 by Rep. Rinks

House Bills rolled 2 weeks:

HB 29 by Rep. Newton
HB 735 by Rep. Hargett

House Bills rolled 3 weeks:

HB 211 by Rep. Briley
HB 754 by Rep. Clem

Criminal Practice & Procedure Subcommittee

On Tuesday, the Criminal Practice & Procedure Subcommittee met to consider twenty bills. A number of these bills were stalking bills. In an effort to keep these bills together in the process and allow sponsors to discuss these bills with each other, the bills were rolled one week.

The following bills and resolution were approved for

passage and **referred to Full Committee:**

HB 759 by Rep. Bunch prohibits any individual being housed in a local jail or workhouse from being placed in trusty status if convicted, or charged and awaiting trial of a sexual offense that requires person to be registered as a sex offender.

HB 1701 by Rep. Langster increases first offense stalking from a Class A misdemeanor to a Class E felony; second or subsequent offense involving different victims will increase punishment from a Class E felony to a Class D and if it is a second offense or subsequent offense involving same victim will be a Class C felony.

HJR 89 by Rep. Cooper establishes a study committee to review and determine the need for changes to TN's current drug policy.

House Bills rolled 1 week:

HB 151 by Rep. Turner
HB 244 by Rep. DuBois
HB 406 by Rep. Sargent
HB 498 by Rep. DuBois
HB 57 by Rep. Shaw
HB 291 by Rep. Hackworth
HB 857 by Rep. Newton
HB 870 by Rep. DeBerry, J.
HB 2086 by Rep. Newton
HB 2262 by Rep. McMillan

House Bills rolled 2 weeks:

HB 200 by Rep. Eldridge
HB 1249 by Rep. Godsey

House Bills rolled 3 weeks:

HB 21 by Rep. Newton
HB 525 by Rep. Sontany
HB 696 by Rep. Roach

(continued)

Criminal Practice, cont.

House Bills taken off notice:

HB 179 by Rep. Langster
HB 497 by Rep. DuBois

Constitutional Protections Subcommittee

On Wednesday, the Constitutional Protections Subcommittee met to consider eleven bills.

The following bills were approved for passage and **referred to Full Committee:**

HB 1432 by Rep. Jones, S. changes the language from permissive to mandatory for records custodian's of domestic violence shelters and rape crisis centers to keep records confidential unless person consents or records subpoena.

HB 204 by Rep. Briley requires any statement made by an accused as a result of a custodial interrogation must be electronically recorded or it will be inadmissible as evidence against the accused in any criminal proceeding.

House Bills rolled 1 week:

HB 724 by Rep. Eldridge
HB 1308 by Rep. DeBerry, J.
HB 2272 by Rep. McMillan
HB 316 by Rep. Lynn

House Bills rolled 2 weeks:

HB 1557 by Rep. Overbey
HB 597 by Curtiss

House Bills taken off notice:

HB 1182 by Rep. Buck
HB 84 by Rep. Shaw
HB 1280 by Rep. Overbey

Judicial Administration Subcommittee

On Wednesday, the Judicial Administration Subcommittee met to consider eight bills. HB 856 by Rep. R. Johnson was rolled to the last calendar of the subcommittee. HB 56 by Rep. Shaw was taken off notice. HB 541 by Rep. Bunch was rolled to weeks.

The following bills were approved for passage and **referred to Full Committee:**

HB 2060 by Rep. Pleasant allows Shelby County clerks of courts to impose continuance fee of up to \$3.00 per continuance to defray courtroom security costs. This bill creates an exception to the fee system created by the pending court costs bill drafted after a study requested by the legislature in 2004.

HB 1337 by Rep. Stanley authorizes magistrates to issue a subpoena for a thumbprint taken and maintained by a pawnbroker pursuant to 45-6-209(b)(7). By replacing the word judge with magistrate in the bill, more individuals are given this authority.

HB 40 by Rep. Clem corrects a reference in the code regarding removal of executor. This bill will substitute a repealed statute with TN's statute on the removal of a trustee so the procedure for the removal of a trustee will be the same for the removal of an executor.

House Bills rolled 1 week:

HB 2003 by Rep. Bunch
HB 2061 by Rep. Todd

State and Local Government

Lawrence Hall, Jr.

This week in the **State and Local Government full committee**, Majority Leader McMillan presented **HB 0001**, which requires legislative and executive branch members and their immediate family members to disclose to the Registry of Elections Finance any contract for consulting services entered into with any entity or person doing business with the State of Tennessee. This bill was passed to Calendar and Rules. **HB 602**, by Rep. Curtiss, removes "combat related" from the eligibility requirement for 100% disabled veterans seeking property tax relief. This bill passed to Finance, Ways, and Means. **HB 965**, by Rep. Briley, was passed to Calendar and Rules. It exempts Davidson County from state law governing petitions for recall elections. **HB 70**, by Rep. Casada, requires the military department to pay the life insurance premiums for national guard members on active duty overseas. This bill was passed to Finance, Ways, and Means.

State Government Subcommittee

This week in State Government Subcommittee HB 2126, by Rep. McMillan passed to full committee. This bill requires that employee pay ranges be adjusted on July 1st of every year to reflect the change in the consumer price index. HB 2269, by Rep. Yokley allows the commissioners of departments to accept gifts on behalf of the department of less than \$5,000. This bill also requires that the gift be reported to the commissioner of finance and administration within 30 days of accepting the gift. This bill passed to the full committee.

HB 37, by Rep. Newton, broadens the kinds of surplus computer and electronic equipment made available to local education agencies. This bill passed to full committee. HB 1415, by Rep. U. Jones, will allow employees of the legislative branch of government to receive pay either semi-monthly or monthly. This bill was passed to full committee.

Local Government Subcommittee

In the Local Government Subcommittee HB 1211, by Rep. Borchert, passed to full committee. This bill allows counties to pay employees an amount equal to what their health insurance would cost instead of providing the health care coverage. HB 970, by Rep. Briley will prohibit the alcoholic beverage commission from providing alcohol awareness training for servers. Currently the alcoholic beverage commission provides the license to those private entities that provide alcohol awareness training. This is the reason for prohibiting the commission from providing this training. This bill passed to full committee. HB 2035, by Rep. Sherry Jones gives employees of fire departments the right to organize and negotiate with municipal governments. This bill passed to full committee.

Elections Subcommittee

This week in Elections Subcommittee, members only considered one bill, HB 1871, by Rep. McMillan. This bill was passed to full committee. It establishes a statewide voter registration database in accordance with the federal "Help America Vote Act."



Transportation

Rachel Thomas

Full Committee

The **House Transportation Committee** convened on March 15, 2005, to consider nineteen bills. Action on **HB 419** (Matheny), **HB 560** (Bunch), and **HB 671** (Maddox) was deferred for one week. **HB 1242** (Godsey) was deferred for three weeks. Representative Montgomery's **HB 715** was re-referred to subcommittee.

The following bills were passed by the committee and will be considered by the House Finance, Ways, and Means Committee:

- HB 30** (McDonald)—“Leon Shoulders Memorial Bridge” highway sign on State Highway 25.
- HB 104** (McDonald)—“David Mandrell Memorial Highway” sign in Westmoreland.
- HB 201** (Eldridge)—Authorizes Nature Conservancy specialty license plate.
- HB 364** (Newton)—Exempts disabled veterans from paying a renewal fee for the renewal of permanent placards.
- HB 377** (Cobb)—“PFC Daniel Bradley McClenney Memorial Bridge” sign in Bedford County.
- HB 923** (Tidwell)—“Luther Lamar Bridge” sign in Maury County.
- HB 1624** (Casada)—Fellowship of Christian Athletes specialty license plate.
- HB 1821** (Rinks)—As amended, authorizes issuance of Small Mouth Bass plate.
- HB 1872** (McCord)—Tennessee Wildlife Federation specialty license plate.
- HB 1930** (Hackworth)—“Dr. Herman Postma Memorial Solway Bridge” sign on the Clinch River between Knox and Anderson Counties.
- HB 2140** (Tidwell)—“Donnie Harold Qualls Memorial Bridge” sign on US Highway 412.

The following bills were voted to the Calendar and Rules Committee:

- HB 927** (Tidwell)—As amended, this bill increases the penalty for construction of illegal entrances onto public highways.
- HB 1823** (Rinks)—This bill increases the amount of purchases from \$5,000 to \$10,000 that must be competitively bid on under the County Uniform Highway Law.
- HB 1937** (Tindell)—This bill exempts buildings from height restrictions on certain scenic highways in Knox County.

Public Safety & Rural Roads Subcommittee

The **Public Safety & Rural Roads Subcommittee** met March 15, 2005, to consider nine bills. Action was deferred on **HB 821** (Pleasant), **HB 1576** (West), and **HB 2054** (Brooks, Shelby) for one week. Representative Davidson's **HB 456** and Representative West's **HB 1574** were amended and then deferred for two weeks. **HB 496** was taken off notice.

The following bills were referred to the full Transportation Committee:

- HB 320** (Davidson)- This bill authorizes motor vehicles twenty-five years or older or that are replicas of such vehicles to receive “custom” license plates.
- HB 747** (Winningham)—Allows for the operation of ATV's on State Route 116 between Railroad Street and Beech Gove Lane in Lake City.
- HB 2171** (Winningham)—As amended, this bill creates the North East Tennessee Railroad Authority encompassing Anderson, Campbell and Scott counties.

Public Transportation & Highways Subcommittee

The **Public Transportation & Highways Subcommittee** met on March 15, 2005, to consider nine bills. Action was deferred for one week on **HB 1965** and **HB 2024**, both by Chairman Pinion. Representative Casada's **HB 881** was rolled for four weeks. **HB 1423** and **HB 1430**, both by Representative West, and **HB 208** (Briley) were taken off notice. The following bills were passed to the full Transportation Committee:

HB 1846 (Bone)—As amended, this bill allows regional transportation authorities to borrow money pledging anticipated forthcoming grants, anticipated assessments, or real or personal property.

HB 1788 (Hensley)—“Jason Jackson Bridge” sign on US Highway 43 in Lawrence County.

HB 1977 (McKee)—As amended, this bill urges the Department of Transportation to study the feasibility of developing a standard memorial to be placed on the side of public roads in honor of persons killed.

**Summaries of Budget
Hearings Continue This
Week on the Following
14 Pages.**

Budget Hearings—Higher Education

Tennessee Higher Education Commission

Pam Mason

The Tennessee Higher Education Commission's mission is to provide affordable, high-quality, post-secondary education to Tennessee citizens. To obtain this goal, the Commission coordinates and unifies Tennessee's program of higher education working with the University of Tennessee System, the Board of Regents and the Tennessee Student Assistance Corporation. At the February 24th meeting of the House Finance, Ways and Means Committee, Dr. Richard Rhoda, Executive Director, presented the 2005-2006 THEC Budget.

Payroll	\$2,879,400	State Dollars	\$2,012,000
Operational	<u>887,000</u>	Federal	299,000
		Other	<u>1,455,400</u>
TOTAL	\$3,766,400	TOTAL	\$3,766,400

Contract Education

TOTAL \$2,323,500

THEC Grants

State	\$2,509,600
Federal	<u>1,286,900</u>
TOTAL	\$3,796,500

Capitol Outlay Projects

STCC New/Replacement Campus	\$5,000,000
DSCC Tipton County Center Addition	5,040,000
WSCC Public Safety Center	5,220,000
STCC Macon Cove New Library and New Academic Building	17,730,000
UTK Electrical and Computer Engineering Facility	25,000,000
UTK Steam Plant Improvements	12,000,000

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The University of Tennessee

Denise Sims

University of Tennessee President John Peterson was part of the Higher Education Panel making budget presentations before the Finance Committee. Dr. Peterson reviewed the system's FY 05-06 numbers and answered questions from committee members on funding initiatives, enrollment growth and fee increases.

The university system has a total recommended budget of **\$ 959,044,000**.

Of that total:

\$423,529,900	in state dollars
54,806,200	in federal dollars
220,039,500	from other sources
260,668,400	from tuition and fees

Total \$ 959,044,000

Dr. Peterson reminded the committee that funding comes from state appropriations, gifts, such as those from private donations and foundations, grants and contracts, and tuition and fees. He pointed out that he feels he must maximize the first three sources, only raising tuition to the level that they feel necessary. Even though this budget is essentially a continuation budget, Dr. Peterson added that there are still increases in costs due to inflation.

Improvements in the recommended budget include:

\$2,500,000 (Research Initiatives – UT System)

360,400 (UT Chattanooga)

1,530,900 (UT Knoxville)

253,600 (UT Martin)

\$4,644,900 TOTAL

He discussed new funding initiatives with private partnerships.

- The first is a one-on-one partnership with the Oak Ridge National Laboratory (ORNL) (managed and operated by UT-Battelle) which matches a \$2.5 million state appropriation to UT to recruit top scholars in science and engineering.

- Another partnership involves private donors for capital funding for two facilities - an engineering facility and a power steam plant. The total cost of the electrical and computer engineering facility project is \$37.5 million, with \$25 million requested in state appropriations and \$12.5 million from gift funds ($\frac{2}{3}$ state - $\frac{1}{3}$ gift funds).

- There is a joint research effort associated with the federally-funded Spallation Neutron Source Project. The last of the three steps the state has taken to support that effort is state funding toward construction of a research facility for the UT-ORNL Joint Institute on Neutron Sciences at Oak Ridge.

There were questions about matching private funds to state dollars, with emphasis on which institutions are allowed to do that. There were also questions about the projects outlined in the budget that will receive funding for completion.

(continued)

UT, continued

The total capital outlay budget provides money from current funds and bonds to fund the top six projects recommended by THEC and to fund maintenance of existing facilities. Those top six projects are a new/replacement campus at Southwest Tennessee; the Tipton County Center addition at Dyersburg State; a public safety center at Walters State; the Macon Cove new library and new academic building at Southwest Tennessee; the engineering facility at UTK; and the improvements at the steam plant at UTK.

Tennessee Board of Regents

Pam Mason

The Tennessee Board of Regents is the governing system for the state higher education institutions. It is the sixth largest system of higher education in the nation covering six universities, 13 community colleges and 26 technological centers. Their proposed budget for 2005-2006 follows.

Board of Regents	\$ 11,214,000
TSU McMinnville Center	458,800
ETSU College of Medicine	38,289,200
ETSU Family Practice	11,606,200
Austin Peay State University	71,053,300
East Tennessee State University	123,601,000
University of Memphis	252,531,300
Middle Tennessee State University	217,852,500
Tennessee State University	114,776,500
Tennessee Technological University	92,817,400
Southwest Tennessee Community College	62,663,800
Nashville State CC	26,683,300
Pellissippi State Technical CC	36,174,600
Northeast State Technical CC	20,006,300
Chattanooga State Technical CC	39,145,300
Cleveland State CC	15,344,000
Columbia State CC	20,975,400
Dyersburg State CC	11,538,800
Jackson State CC	19,902,600
Motlow State CC	15,891,900
Roane State CC	27,906,200
Volunteer State CC	29,803,500
Walters State CC	29,980,800
Technology Centers	61,426,700
Total State University and Community College System	1,351,645,400
Grand TOTAL	2,685,080,600

Tennessee Student Assistance Corporation

Kristina Ryan

On February 24, 2005, the Tennessee Student Assistance Corporation presented its proposed budget to the House Finance, Ways and Means Committee. Dr. Richard Rhoda, who is serving as Interim Director of TSAC, represented the corporation. The Tennessee Student Assistance Corporation is a non-profit corporation that administers state and federal student financial assistance programs. Approximately 95 percent of TSAC recipients have family incomes below \$25,000. Some of the services that TSAC provides include:

- Administering the Academic Scholars Program
- Overseeing the Tennessee Student Assistance Awards Program for financially needy Tennesseans
- Guaranteeing student loans
- Executing the federal program designed to prevent potential defaults on student loans.
- Arranging or serving as the lender of last resort.
- Managing and marketing the Tennessee Education Lottery Scholarship Program.
- Administering loan/scholarship programs to encourage gifted students to enter into the teaching nursing and medical professions.

The Tennessee Student Assistance Corporation has a recommended budget for fiscal year 2005-06 of **\$19,493,600**. Of that figure, **\$1,317,400** is requested from state funds, **\$4,493,100** from federal funds and **\$13,683,100** from other funding sources.

As fees for post-secondary universities continue to increase, so does the demand for financial aid. The Lottery Scholarships have significantly increased the availability of financial aid. Roughly 36,000 Tennessee freshman and sophomores earned lottery scholarships last year. In addition, TSAC serves as the designated agency that oversees the Federal Family Education Loan Program (FFELP), which is expected to guarantee roughly \$1 billion dollars in loans for students and parents this year.

Budget Hearings

Tennessee Bureau of Investigation

Lawrence Hall, Jr.

On February 16, 2005, the Tennessee Bureau of Investigation presented its budget for fiscal year 2005-2006 to the House Finance, Ways, and Means Committee. Director Mark Gwyn commented that the bureau is proposing a continuation budget that doesn't include any improvements. The director reported that he is looking for internal revenue sources to pay for any necessary departmental upgrades. One of the department's priorities is to launch a "Technical Services Unit." This unit will perform functions such as provide local law enforcement with assistance in extracting evidence from computers, fight child pornography, and target high to mid level drug offenders. It was also reported that the forensic services division conducted over 250,000 tests last year with only 76 forensic scientists. The criminal investigative division opened about 1,000 cases and closed about 1,000 cases last year.

The total requested budget for 2005-2006 for the Tennessee Bureau of Investigation is \$47,880,700. This total includes \$0.00 in improvements.

2005-2006

	Base	Improvements	Recommended
Full-Time	456	0	456
Part-Time	0	0	0
Seasonal	0	0	0
Total	456	0	456
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Payroll	26,360,500	0	26,360,500
Operational	21,520,200	0	21,520,200
Total	\$47,880,700	0	\$47,880,700
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State	27,851,900	0	27,851,900
Federal	7,806,100	0	7,806,100
Other	12,222,700	0	12,222,700

Director Gwyn also stated that the majority of his time has been spent working on the Governor's task force fighting the methamphetamine problem facing the State of Tennessee. He reported that there has been a 400% increase in clandestine labs that produce meth since 2000, where the department only has 36 drug agents in the entire state to fight the problem. The director suggests that there is one thing to do to get an effective handle on the meth problem, and that is to reduce and limit the availability of pseudo-phedrine.

The department has been asked to return \$800,000 in budget reversions. The department plans on meeting this reversion by not filling vacant positions currently in the bureau.

Dept. of Economic & Community Development

Kristina Ryan

The Department of Economic and Community Development presented its proposed 2005 budget to the House Finance, Ways and Means Committee on March 2, 2005. Commissioner Matt Kisber and his staff represented the department. The mission of the Department of Economic and Community Development is to encourage new and improved employment opportunities for Tennesseans so that economic growth in Tennessee will prosper. Commissioner Kisber emphasized that retaining industries that are currently based in Tennessee as well as attracting more industry into the state are instrumental to a stronger, healthier economy. Some of the priorities that ECD is embarking on include recruiting new industries, preparing local communities for economic development opportunities, training Tennessee workers, and assisting existing Tennessee businesses.

The framework of ECD is divided into six divisions:

- Business Development
- Business Services
- Administrative Services
- FastTrack Job Training Assistance Program and Job Skills
- Community Development
- Energy Division

One of the most high profile commissions that is administratively attached to ECD is the Tennessee Film, Entertainment and Music Commission. The primary purpose of this commission is to attract music, television, motion picture and other media projects to Tennessee. Two of the most beneficial programs that ECD offers for Tennessee workers are the FastTrack Job Training Assistance Program and the Tennessee Job Skills Program. The FastTrack Job Training Assistance Program provides for personalized training assistance to new and expanding businesses and industry throughout Tennessee. The Tennessee Job Skills Program is a workforce development incentive program that provides training grants to eligible employers in order to enhance employment opportunities to new and existing businesses and industries throughout Tennessee. Preferential treatment is given to those employers who encourage high-wage, high-skilled jobs in advanced technological or skilled manufacturing positions.

The recommended total budget for the Department of Economic and Community Development is **\$96,406,400**. The department has requested **\$50,045,600** from state funds, **\$34,612,100** from federal funds and **\$11,748,700** from other funding sources.

The ECD budget broken down is as follows:

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Economic & Community Development, continued

Budget:

Ø	<u>Administrative Services</u>	\$4,661,300
Ø	<u>Business Development</u>	\$3,708,000
Ø	<u>Business Services</u>	\$1,193,800
Ø	<u>FastTrack Job Training Assistance Program</u>	\$9,354,500
Ø	<u>Tennessee Job Skills Program</u>	\$9,498,400
Ø	<u>Regional Grants Management</u>	\$33,513,200
Ø	<u>FastTrack Infrastructure Development</u>	\$25,632,000
Ø	<u>Community Development</u>	\$6,137,000
Ø	<u>Energy Division</u>	\$2,708,200
<u>TOTAL</u>		\$96,406,400

Department of Human Services

Judy Narramore

On March 10, 2005, Gina Lodge, Commissioner of the Department of Human Services, presented the Department's recommended FY 2005-06 budget to the House Finance, Ways and Means Committee. The Department's **proposed budget totals \$1,799,693,600**, which includes **\$185,022,700 or 10 percent in state appropriations**, \$1,477,014,000 or 82 percent in federal revenue, and \$137,656,900 or 8 percent in "other" funding. The Department currently has 5,259 positions.

The Department is requesting improvements of \$1,251,600, including 22 positions for TennCare appeal review hearing officers. Proposed improvements will be funded with \$17,500 state, \$34,100 federal, and \$1,200,000 "other" dollars. Commissioner Lodge stated that the Families First caseload growth has not been as rapid as projected, therefore, the Department requested improvements for the TennCare appeal review process (\$1,200,000) and child support Assistant DA step raises (\$51,600). In addition, Commissioner Lodge noted that Governor Bredesen's number one priority item on the contingency list is \$3.5 million for a child care reimbursement rate increase.

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Department of Human Services, continued

Commissioner Lodge outlined the Department's major programs and funding sources, as follows:

- Food Stamp Benefits @ \$862,000,000 (100% Federal)
 - Child Care @ \$201,289,200 (Block Grants)
 - TANF Benefits @ \$154,550,300 (Block Grant)
 - Voc Rehab @ \$77,209,100 (21.3% State & 78.7% Federal which is capped)
 - Child Support @ \$70,387,500 (34% State & 66% Federal)
- Disability Determination @ \$47,495,100 (100% Federal)

Commissioner Lodge indicated she believes the Families First caseload is close to leveling off. In consideration of achievement in various performance characteristics of the Families First program, the Department of Human Services received a TANF bonus that will be used for a systems upgrade.

Tennessee Wildlife Resources Agency

Rachel Thomas

Executive Director Gary Myers and Assistant-Director Allen Gephardt presented the Tennessee Wildlife Resources Agency's budget to the Finance, Ways, and Means Committee on March 9, 2005. The agency's primary responsibility is to preserve and manage all species of wildlife in Tennessee. Some of the agency's specific duties include issuing hunting, fishing, and boating permits, levying excise taxes on hunting equipment, and fining for violations of regulations.

Mr. Gephardt updated the committee on the status of permit fees. After no change in permit fees for fifteen years, the agency is raising these fees to help cover their operating costs. An independent survey was conducted of sportsmen in Tennessee to gauge their reaction to the increase. Approximately 90% of those surveyed understood the need and fairness of the fee increase. Opposition to the increase primarily originates from commercial fishermen. The agency is considering reducing the cost of commercial fishing and commercial musseling permits.

Please see the following table for an overview of the agency's budget. The total recommended budget for FY 2005-06 is \$66,601,100. This figure is composed of \$44,476,800 from state funds, \$16,283,400 from federal funds, and \$5,840,900 from other sources.

(TWRA budget overview on next page)

TWRA, continued

Budget Overview:

Area	Base	Improvement	Recommended
Wildlife Resources	\$50,141,700	\$ 794,700	\$50,936,400
Boating Safety	8,238,100	108,500	8,346,600
Wetlands Acquisition Fund	2,042,500	4,875,600	6,918,100
Wetlands Compensation Fund	400,000	0	400,000
Total	\$60,822,300	\$5,778,800	\$66,601,100

Department of Agriculture

Matt Barnes

Commissioner Ken Givens presented the 2005-2006 budget for the Department of Agriculture on March 9. The Department's budget document claims its place as the very first state agency, established in 1854 to promote agriculture through fairs and livestock expeditions. The Department continues this mission through four major areas: Administration and Grants, Market Development, Regulatory Services and Forestry. The Forestry Division accounts for more than half of all departmental activities.

Total Department funding is as follows:

	<u>Base</u>	<u>Improvement</u>	<u>Recommended</u>
State	\$49,405,400	\$3,015,000	\$52,420,400
Federal	10,574,400		10,574,400
Other	8,508,400		8,508,400
Total			\$71,503,200

Except for two improvement requests, Commissioner Givens noted, the budget is the same as last year. The first, totaling \$765,000, is to replace 51 pumper units, or half of the Forestry Division's units. The aging units are generally the first responders for suppressing wildfires where forests meet developed neighborhoods. The commissioner said fire-suppression bulldozers included in last year's budget have started to come in.

(continued)

Agriculture, continue

The second improvement request is to provide \$2,250,000 in non-recurring funds to the Agricultural Resources Conservation Fund, which is primarily for the prevention of nonpoint source water pollution that may be associated with agricultural production. The total recommended amount for this Fund is \$3,375,000, with \$1,125,000 included in the base budget as recurring funds.

Commissioner Givens noted the continued progress in the Boll Weevil Eradication Program, directly attributing a near-record cotton yield last year to its success. However, he said without constant maintenance of the program through aerial spraying and bringing along other states such as Arkansas, the boll weevil problem would return.

Other items of interest:

- The comprehensive cooperative bill passed last year is contributing in a positive way to agribusiness recruiting efforts.
- The Marketing Division is now looking at the ethanol and biodiesel industries, the former made from corn and the latter from soybeans. Chairman Davidson said biodiesel incentive legislation is forthcoming.
- The Phase II tobacco money lawsuit is set to be heard in April or May by the North Carolina Supreme Court. The Department is working with the Tennessee Attorney General's office, as well as 13 other attorneys general, on the appeal.
- The Department's budget, for the first time, includes performance-based measures.

Dept. of Environment & Conservation

Rachel Thomas

The Tennessee Department of Environment and Conservation's Commissioner, Betsy Child, presented her department's budget to the Finance, Ways, and Means Committee on March 8, 2005. The department's role is to protect, preserve, and improve the quality of Tennessee's air, land, and water.

Prior to explaining the department's proposed budget, the Commissioner updated the committee on a number of other items that are financially significant. First, the department will lose \$5,000,000 in federal funding if the proposed federal budget passes. Second, a restructuring has taken place with the department's office space such that \$300,000 will be saved in FY 2007-08. Finally, the department's performance-based budgeting is progressing.

(continued)

Environment & Conservation, continued

There are three improvements included in the department's proposed budget for FY 2005-06. These improvements are in the areas of land and water conservation, creation of a state acquisition fund to restore local parks, and water pollution control.

Please see the following tables for figures on the Tennessee Department of Environment and Conservation's complete budget in each of its three major divisions.

1. Administration—Overall policy management and support services.

Project Areas	Base	Improvement	Recommended
Administrative Services	14,284,200	0	14,284,200

Tennessee State Parks and Conservation Services—Preserves historical sites and Tennessee's natural resources.

Project Areas	Base	Improvement	Recommended
Recreation Educational	5,114,800	0	5,114,800
Historical Commission	2,052,200	0	2,052,200
Land and Water Con-	750,000	0	750,000
Maintenance of Historic	185,000	0	185,000
Natural Heritage	1,095,500	10,000,000	11,095,500
Tennessee State Parks	62,584,400	0	62,584,400
Tennessee State Parks	5,909,700	0	5,909,700
Elk River Resource	0	0	0
Local Parks Acquisition	1,312,500	2,624,400	3,936,900
State Lands Acquisition	1,125,000	2,250,000	3,375,000
State Lands Compensa-	42,000	0	42,000
Total			95,045,500

(continued)

Environment & Conservation, continued

3. Environment—Preservation and enhancement of environmental resources and compliance with state and federal regulations.

Project Areas	Base	Improvement	Recommended
Environment Administration	4,297,700	0	4,297,700
Archaeology	810,600	0	810,600
Geology	1,429,400	0	1,429,400
Used Oil Collection Program	1,518,400	0	1,518,400
West Tennessee River Basin Authority	1,057,100	0	1,057,100
West Tennessee River Basin Authority Maintenance	500,000	0	500,000
Tennessee Dry Cleaners Environmental Response Fund	2,465,000	0	2,465,000
Air Pollution Control	12,335,900	0	12,335,900
Radiological Health	5,135,600	0	5,135,600
Community Assistance	52,102,600	0	52,102,600
Water Pollution Control	15,426,100	1,555,800	16,981,900
Solid Waste Management	10,051,000	0	10,051,000
DOE Oversight	6,270,100	0	6,270,100
Abandoned Lands	500,000	0	500,000
Hazardous Waste Remedial Action Fund	11,201,800	0	11,201,800
Water Supply	6,322,700	0	6,322,700
Groundwater Protection	9,370,800	0	9,370,800
Underground Storage Tanks	23,550,800	0	23,550,800
Solid Waste Assistance Fund	9,293,900	0	9,293,900
Environmental Protection Fund	39,334,600	0	39,334,600
Total			214,529,900

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Environment & Conservation, continued

Total of Divisions:

	Base	Improvement	Recommended
State	144,951,800	16,430,200	161,382,000
Federal	75,589,100	0	75,589,100
Other	86,888,500	0	86,888,500
Total	307,429,400	16,430,200	323,859,600

Labor and Workforce Development

Shannon Romain

The Department of Labor and Workforce Development protects the rights of workers and assist employers in maintaining those rights throughout the state. The Department has six functional areas:

Administration
Safety and Health
Workers Compensation

Labor Standards
Employment and Workforce Development
Employment Security

	BASE 2005-2006	IMPROVEMENT 2005-2006	RECOMMENDED 2005-2006
Full-Time	1,582	8	1,590
Part-Time	461	0	461
Seasonal	0	0	0
Total	2,043	8	2,051
Payroll	82,313,500	1,630,300	83,943,800
Operational	121,237,800	856,200	122,094,000
Total	\$203,551,300	\$2,486,500	206,037,800
State	29,122,200	2,486,500	31,608,700
Federal	150,305,100	0	\$150,305,100
Other	24,124,000	0	\$24,124,000

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Labor & Workforce Development, continued

Special Topics and Department Highlights

- Customer Service - The Department made customer service a priority. Improvements included upgrading operations and efficiency in career centers across the state.
- Adult Basic Education - The department made improvements in ABE customer service, efficiency and satisfaction. More than \$995,000 dollars in federal funds dollars were transferred from the department's general funds to the ABE program to assist persons who are financially prohibited from obtaining a GED. Based on the additional funding and policy improvements the department expects over 7,000 Tennesseans to receive their GED.
- Workers Compensation - The Department reported that it will submit the medical fees schedule before the April 1 deadline.
- Performance Measures - The Department met or exceeded 26 of 32 performance measures in 2003-04 and is on track to achieve all measures, except 3, in 2004-05.
- Workforce Investment Program - In 2004, the Department's Workforce Investment Program was ranked 8th best in the nation according to the U.S. Department of Labor based on the operations and efficiency in state career centers.